

United States Environmental Protection Agency
Region 5
Air and Radiation Division
77 West Jackson Boulevard
Chicago, IL 60604

DATE: JUL 22 2014

SUBJECT: Inspection of Arc Logistics Partners LP, Cleveland, Ohio

FROM: Gregory Gehrig, Environmental Engineer
Air Enforcement and Compliance Assurance Section (WI/MI)

THRU: Sarah Marshall, Chief *SM*
Air Enforcement and Compliance Assurance Section (WI/MI)

TO: File

Facility: Arc Logistics Partners LP Cleveland Terminal

Location: 250 Mahoning Avenue, Cleveland, Ohio

Inspection Date: July 3, 2014

Inspection Team: Gina Harrison, Environmental Engineer, EPA Region 5
Gregory Gehrig, Environmental Engineer, EPA Region 5
Lauren Sindelar, Ohio EPA
Lawrence Maline, Ohio EPA

Facility Attendees: Dave Lippus, Terminal Operator, Arc Logistics Partners LP Cleveland Terminal
Brian Schoolcraft, Area Terminal Manager, Arc Logistics Partners LP Cleveland Terminal

Purpose of the Inspection:

To investigate, inspect, and determine whether Arc Logistics Partners LP Cleveland Terminal (Arc) is in compliance with the Ohio State Implementation Plan (SIP) and the Federal Clean Air Act (CAA). This includes interviewing Arc personnel and a facility tour.

Environmental Justice:

Per EJSCREEN, this facility is in an EJ area of concern.

Overview of Company:

Arc is a liquid petroleum product storage and dispensing facility. The facility operates 24 hour per day, 7 days per week and employs five full time employees at this terminal.

Opening Conference:

Gina Harrison and Greg Gehrig (EPA Inspectors) along with Lawrence Maline and Lauren Sindelar (Ohio EPA Inspectors) arrived at Arc at approximately 11:00 am on July 3, 2014. EPA Inspectors were greeted by Dave Lippus at the facility office. After presenting credentials, the EPA Inspectors explained the purpose of our visit.

The opening conference was attended by Brian Schoolcraft. During the opening conference the EPA Inspectors stated this was an unannounced inspection and that questions would be asked about the facility's processes and a tour of tanks and loading racks would be incorporated into the inspection. A review of the facility's processes was requested so the EPA Inspectors could understand the Arc petroleum storage and dispensing operations.

Facility Operations:

Arc has three truck fuel loading racks, one barge loading rack and 30 aboveground storage tanks (tanks) permitted by Ohio EPA, and another eight that are unpermitted. The south loading rack is controlled by a John Zink open tip flare. The south rack and associated flare are rarely used, and Mr. Schoolcraft said that this flare hasn't been used in three to four years. The main loading rack is controlled by a Callidus enclosed vapor recovery combustion unit (VCU). Products at the facility include gasoline, ultra low sulfur diesel fuel (ULSD), ethanol, transmix, biodiesel and fuel additives. The main loading rack is primarily used. The facility operates 24 hour per day, 7 days per week and loads approximately 42,000 gallons of fuel per day. The facility offloads products from a pipeline into tanks. Products are then temporarily stored in tanks until they are dispensed into tank wagons or barges.

Another company, Center Alternative Energy Company (CAEC) both rents and operates tanks T020 through T023. These tanks are in the Arc permit issued by Ohio EPA. CAEC also rents space at the facility for the production of biodiesel. CAEC operations were not investigated during this inspection.

Facility Tour:

After the overview of Arc's process, EPA Inspectors requested a tour of the facility. The tour began at approximately 12:00 pm. Mr. Schoolcraft represented Arc on the tour. EPA Inspectors used a FLIR gas-imaging camera and a photo-ionization detector (PID) during the tour to detect any leaks or emissions of volatile organic compounds (VOCs) from Arc's tanks and loading racks. Observations of tanks and loading racks are detailed in the table below. Ohio EPA Inspectors departed mid-way through the tour.

Tank (OEPA ID/ Arc ID)	Product Stored	Capacity* (gallons)	Observations
T001/ #1	ULSD	3,551,058	Significant VOC gas flow from roof vent. PID = 175 ppm flash, 130 ppm steady. FLIR file 660
T002/ #2	ULSD	909,342	Did not go on top, FLIR scan from top of T001, T003 and T004.
T003/ #3	Gasoline	940,000	Significant VOC gas flow from goose neck vent. PID = 120 ppm flash, 70 ppm steady. FLIR file 661.
T004/ #4	Gasoline	1,486,000	Significant VOC gas flow from side vent. PID = 120 ppm flash, 70 ppm steady. FLIR file 662 to 664.
T005/ #5	Currently empty	30,000	Not investigated
T006/ #6	Currently empty	30,000	Not investigated
T007/ #7	Gasoline	1,000,000	Did not go on top, FLIR scan from top of T003 and T004.
T012/ #18119	ULSD	2,822,232	Did not go on top, limited scan from top of T014.
T013/ #18120	Gasoline	2,822,232	VOC gas flow from side vent. No PID reading taken; limited FLIR scan from top of T014. FLIR file 668.
T014/ #18121	Gasoline	2,822,484	Significant VOC gas flow from sample box. PID = 64 ppm flash, 15 ppm steady. FLIR file 667.
T015/ #18122	Out of service	2,734,410	Did not go on top, limited FLIR scan from top of T014.
T016/ #18123	ULSD	4,064,508	Did not go on top, limited FLIR scan from top of T014.
T017/ #18124	Ethanol	984,186	Did not go on top, limited FLIR scan from top of T014.
T018/ #18125	Gasoline	705,642	Did not go on top, limited FLIR scan from top of T014.
T019/ #18190	Methanol	99,120	Not investigated
T020/ #18191	Soy Grease	99,120	Not investigated, tank operated by CAEC.
T021/ #18192	Biodiesel	154,728	Not investigated, tank operated by CAEC.
T022/ #18193	Biodiesel	222,474	Not investigated, tank operated by CAEC.
T023/ #18194	Soy Grease	222,474	Not investigated, tank operated by CAEC.
T024/ #18195	Transmix	499,800	Not investigated.
T025/ #214	Empty	430,626	Not investigated
T034/ #25414	Transmix	17,010	Not investigated
T035/ #25415	Transmix	17,010	Not investigated
T036/ #25416	Transmix	17,010	Not investigated
T037/ #25417	Transmix	17,010	Not investigated
T038/ #25418	Transmix	17,010	Not investigated
T039/ #25419	Transmix	17,010	Not investigated
T054/ #18196		21,000	Tank not shown on facility lists
T055/ #4001	Biodiesel	21,000	Not investigated
T056/ #4002	Biodiesel	21,000	Not investigated
NIP/#4003	Detergent additive	8,400	Not investigated
NIP/#4006	Red dye	206	Not investigated
NIP/#4010	Lubricity	2,000	Not investigated
NIP/#4011	Detergent additive	2,060	Not investigated
NIP/#8	S. Term.	300	Not specifically investigated, but South Loading Rack

	Pour-back		visited.
NIP/#9	S. Term. Diesel additive	Unknown	Not specifically investigated, but South Loading Rack visited.
NIP/#10	N. Term. Pour-back	300	Not investigated
NIP/#WT	Rack Holding	Unknown	Not investigated

NIP = not in permit

* = tank capacity taken from permit if available, otherwise capacity is from facility's shell capacity or maximum volume.

Loading Rack (OEPA ID/ Arc ID)	Products Dispensed	Observations
J001/ South Loading Rack	Any	No VOC gas flow. This rack is rarely used, and was not in use during the inspection. This rack was investigated, but no VOC gas detected. The John Zink open tip flare has not been used in three to four years.
J002/ Main Loading Rack	Any	VOC gas flow off of just used hose. PID reading flashed to 80 ppm. Controlled by Callidus enclosed vapor combustion unit (VCU). The Callidus enclosed VCU was in service with evidence of VOC-containing gas in the stack exhaust. FLIR file 666.
J003/ Specialty Loading Rack	Distillates	Rarely used, not investigated
P002/ Barge Loading Rack	Any	Rarely used, not investigated

PID Calibration

The PID was calibrated prior to inspection activities at the EPA Chicago office on June 30, 2014. The PID was also zeroed inside the facility office prior to the facility tour.

Tour Follow-up and Closing Conference:

The closing conference was conducted at approximately 1:10 pm. Mr. Schoolcraft represented Arc at the closing conference. We informed Mr. Schoolcraft that we observed VOC gas flow from several tanks, but that did not necessarily indicate a violation of the CAA at this time.

Mr. Schoolcraft indicated that none of the information discussed or materials obtained needed to be treated as confidential business information. Mr. Schoolcraft was informed that a CAA Section 114 Information Request may be sent to the facility.

Records Obtained:

1. Site figure
2. Tank information – 3 tables
3. FLIR gas imaging recordings, files 660 through 668.